

Senate Engrossed House Bill

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-sixth Legislature
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2004

CHAPTER 110

HOUSE BILL 2132

AN ACT

AMENDING SECTION 30-806, ARIZONA REVISED STATUTES; RELATING TO ELECTRIC POWER ENTITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 30-806, Arizona Revised Statutes, is amended to
3 read:

4 30-806. Consumer protection; rules; confidentiality; unlawful
5 practice

6 A. Public power entities shall adopt rules and procedures to protect
7 the public against deceptive, unfair and abusive business practices. Public
8 power entities and the commission shall coordinate their respective rules and
9 procedures to promote consistent implementation statewide. The rules and
10 procedures adopted by public power entities shall address at least:

11 1. Deceptive, unfair and abusive business practices including deposit
12 requirements and reconnection fees.

13 2. Intrusive and abusive marketing practices.

14 3. Deceptive or untrue advertising practices.

15 4. Providing an ombudsman office to investigate complaints regarding
16 the subsidization of competitive services by any price or charge for
17 noncompetitive electric service.

18 5. Practices prohibited under section 30-809, subsection C.

19 B. If a public power entity forms an affiliate for the purposes of
20 providing services that require a licensed contractor or has employees
21 perform these services, including electrical, heating, ventilation, air
22 conditioning, plumbing or construction services, the public power entity
23 shall not advertise these services in their billing statement or in other
24 mailings done by the electric distribution utility.

25 C. The rules also shall require a separate authorization pursuant to
26 subsection D of this section to change electricity supplier and plain
27 language in advertising and billing using uniform words and phrases that have
28 the same meanings so that customers can make accurate comparisons.

29 D. A separate written and dated authorization from the retail electric
30 customer is required for a change in a retail electricity supplier subject
31 to the following:

32 1. The authorization shall not contain any inducements.

33 2. The authorization shall be in legible print with clear and plain
34 language confirming the rates, terms, conditions and nature of the service
35 to be provided.

36 3. The authorization shall not state or suggest that the customer take
37 action to retain the customer's current electricity supplier.

38 4. The authorization shall be in the same language as any promotional
39 or inducement materials provided to the retail electric customer.

40 E. An electricity supplier that submits or executes a change in a
41 retail electricity customer's electricity supplier in violation of this
42 subsection D OF THIS SECTION shall refund to the retail electricity customer
43 the entire amount of the customer's electricity charges attributable to
44 electric generation service from the electricity supplier for three months,
45 or the period of the unauthorized service, whichever is less.

1 F. No box or container may be used to collect entries for sweepstakes
2 or a contest that, at the same time, is used to collect authorization by a
3 retail electric customer to change the customer's electricity supplier or to
4 subscribe to other services.

5 G. Notwithstanding any other law, ~~customer information, account~~
6 ~~information and related proprietary information are confidential and shall~~
7 ~~not be released to third parties for commercial or law enforcement purposes~~
8 ~~unless specifically waived by the customer in writing~~ CUSTOMER-SPECIFIC
9 INFORMATION SHALL NOT BE RELEASED WITHOUT SPECIFIC PRIOR WRITTEN CUSTOMER
10 AUTHORIZATION UNLESS THE INFORMATION IS REASONABLY REQUIRED FOR LEGITIMATE
11 ACCOUNT COLLECTION ACTIVITIES OR CREDIT ANALYSIS ACTIVITIES OR WHEN SUCH
12 INFORMATION AIDS IN PROVIDING SAFE AND RELIABLE SERVICE TO THE CUSTOMER or
13 unless otherwise provided by court order. Public power entities and
14 electricity suppliers and providers of other services, except public service
15 corporations, shall adopt reasonable rules and procedures to ensure
16 confidentiality.

17 H. If a public power entity employs the services of a contractor for
18 interior household energy service, either directly or through any affiliate,
19 the contractor and any subcontractors shall be licensed by the registrar of
20 contractors and shall comply with all municipal permit and inspection
21 standards and applicable life safety codes. For the purposes of this
22 subsection, "contractor" has the same meaning prescribed in section 32-1101.

23 I. A public power entity that has a service territory in this state
24 through certificates of convenience and necessity, resolutions of public
25 power entities or contracts or agreements among utilities shall act as the
26 supplier of last resort for electric generation service for every retail
27 electric customer within its service territory whose annual usage is one
28 hundred thousand kilowatt hours or less if other electricity suppliers are
29 unwilling or are unable to supply electric generation service and whose
30 electric generation service has been discontinued through no fault of the
31 retail electric customer. Public power entities that provide electric
32 distribution services are entitled to recover just and reasonable costs for
33 supplying electric generation service under this subsection through a
34 distribution charge on retail customers whose annual usage is one hundred
35 thousand kilowatt hours or less. Public power entities and the commission
36 shall coordinate their respective rules and procedures to provide statewide
37 uniformity.

38 J. The provisions of subsection I of this section are subject to
39 legislative review by the auditor general in 2008. The review shall include
40 recommendations on whether electric distribution utilities shall remain the
41 provider of last resort or if other electricity suppliers should bid to be
42 the provider of last resort.

1 K. Failure of a public power entity to comply with the rules adopted
2 pursuant to subsections A and B of this section or the procedures listed in
3 subsection D of this section is an unlawful practice pursuant to section
4 44-1522. The attorney general may investigate and take appropriate action
5 as prescribed by title 44, chapter 10, article 7.

6 Sec. 2. Emergency

7 This act is an emergency measure that is necessary to preserve the
8 public peace, health or safety and is operative immediately as provided by
9 law.

APPROVED BY THE GOVERNOR APRIL 19, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2004.